This filer's kit contains information regarding oil and gas royalty return filing with the New Mexico State Land Office. Information includes: the ONGARD (Oil and Natural Gas Administration Database) system, royalty reporting and payment requirements, web applications, account notices and answers to frequently asked questions. Oil and gas royalty reporting forms are provided in this kit. Royalty forms can also be accessed through the State Land Office web site: www.nmstatelands.org

Additional kits are available upon request.
RESOURCES

SLO Rulings:
For information concerning rulings, statutes and rules and regulations for oil and gas royalty administered by the New Mexico State Land Office, please contact:

Danny Martinez
Royalty Management Division
New Mexico State Land Office
P O Box 1148
Santa Fe, NM 87504-1148
(505) 827-5757
dmartinez@slo.state.nm.us

Publications:
To order copies of Royalty informational publications, please contact:

Royalty Management Division
New Mexico State Land Office
P O Box 1148
Santa Fe, NM 87504-1148
(505) 827-5772
dborunda@slo.state.nm.us

PUN and Lease Numbers:
If you need assistance obtaining, reviewing or correcting production unit numbers (PUNs) and related leases, please contact:

Sylvia Martinez
Compliance and Special Projects Bureau
New Mexico State Land Office
P O Box 1148
Santa Fe, NM 87504-1148
(505) 827-5871
smartine@slo.state.nm.us

Forms:
You may download all royalty forms with the exception of remittance documents at:


If you file royalty electronically, you can request remittance documents online at:

http://www.ongard.state.nm.us/industry%20access/Royalty_RemittanceDoc_Request/LOGIN.ASPX

If you do not have a login and password for electronic filing, you can request remittance documents by contacting:

Revenue Processing Bureau
Royalty Management Division
New Mexico State Land Office
P O Box 1148
Santa Fe, NM 87504-1148
(505) 827-5854

Revised 08/2016
OIL AND GAS ROYALTY PROGRAM

The New Mexico State Land Office (SLO) administers the royalty program on the production and disposition of oil and gas products derived from New Mexico state lands. This includes the processing of hardcopy (paper) and electronic royalty returns and management and maintenance of associated files and records. The SLO administers a comprehensive audit and compliance program that examines royalty data for reporting accuracy and compliance with lease terms, statutes, rules and regulations.

ROYALTY MANAGEMENT DIVISION

The Royalty Management Division is structured into three bureaus as follows:

Revenue Processing Bureau
The Revenue Processing Bureau provides assistance with forms completion, assessment and credit notices, royalty payments and questions pertaining to oil and gas royalty returns. Please direct questions and correspondence to:

Kim Gabaldon
Revenue Processing Bureau
New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148
(505) 827-5854
FAX: (505) 476-0480
kgabaldo@slo.state.nm.us

Audit Bureau
The Audit Bureau conducts and provides assistance with oil and gas royalty audits. Please direct questions and correspondence to:

Mary Alice Baca
Audit Bureau
New Mexico State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148
(505) 827-5093
FAX: (505) 476-0480
mbaca@slo.state.nm.us

Compliance and Special Projects Bureau
The Compliance and Special Projects Bureau provides assistance with refund requests, outstanding notice collection, suspended line clearance, advance payment and electronic filing. Please direct questions and correspondence to:

Shannon Sandoval
Compliance and Special Projects Bureau
New Mexico State Land Office
PO Box 1148
Santa Fe, NM 87504-1148
(505) 827-4442
FAX: (505) 476-0480
sandovals@slo.state.nm.us
ONGARD

ONGARD, the Oil and Natural Gas Administration and Revenue Database is an automated system that supports the oil and gas activities of the New Mexico State Land Office (SLO), the New Mexico Taxation and Revenue Department (TRD) and the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department. ONGARD provides a computerized environment where the SLO, TRD and OCD can share oil and gas related information. It provides a foundation for processing the large number of transactions handled by the three agencies and reduces the need for duplicate reporting of information by the oil and natural gas industry. The ONGARD website is also the launching point for filing royalty returns electronically and using web based tools for royalty remitters.

TERMS AND DEFINITIONS

ACCELERATED ROYALTY PAYMENT: A payment for oil and gas royalty submitted within 20 days of the end of the production month. This payment is usually submitted prior to submitting an associated royalty report. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

ADVANCE ROYALTY DEPOSIT: A deposit that is equal to the royalty reporter’s average monthly royalty payment for the period 4/1 – 3/31 each year. Any royalty reporter whose average royalty exceeds $25,000 monthly must maintain an Advance Royalty Deposit with the SLO or must submit royalty payments pursuant to the Accelerated Royalty provisions.

AUDIT AND COMPLIANCE ASSESSMENT: A notice of amount due that is issued as a result of an audit or a compliance review of volume or value.

COMPUTATION ASSESSMENT: A notice of amount due for underpaid royalty differences based on ONGARD’s computation of the data submitted by the royalty reporter. ONGARD calculates royalty based on the Gross Proceeds, deductions and the lease rate for the property.

COMPUTATION CREDIT: A notice for overpaid royalty differences based on ONGARD’s computation of the data submitted by the royalty reporter. ONGARD calculates royalty based on the Gross Proceeds, deductions and the lease rate for the property.

CSV (Comma Separated Value Reporting): A reporting format for electronic oil and gas royalty returns.

INTEREST ASSESSMENT: A notice of interest due for the late payment of oil and gas royalty. Interest is calculated at the rate of 1.25% per month or portion of a month beginning when payment is due until payment is made. (See 56-8-3 NMSA, 1978)

LEASE: A six-digit alphanumeric code used to designate a specific lease property. Calculation of royalty due is based on the royalty rate assigned to this lease number. The lease number is part of the royalty reporting detail record.

LEASE CREDIT: A notice of overpayment of previously distributed royalty funds. This credit can be used against future royalty due to the same beneficiary.

OGRID: The Oil and Gas reporter’s identification number. This number is generated by ONGARD when the oil and gas account is created.
OGR Report: A monthly report submitted to the New Mexico State Land Office by remitters in order to report volumes, proceeds, deductions and royalty due on New Mexico State Trust Lands.

OGR-1: First page of the OGR Report. This report summarizes the detail contained in the report.

OGR-2: Component of the OGR Report. This form details the volumes, proceeds, deductions and royalty due on New Mexico State Trust Lands on a pun/lease/sales period basis.

ONGARD: The Oil and Natural Gas Administration and Revenue Database.

PUN (Production Unit Number): A unique identifier for one or more well completions. The number is assigned by the New Mexico Taxation and Revenue Department based on master operator, property name identification and pool, including Unitization and Communitization matters. The PUN is part of the royalty reporting detail record.

REMITTANCE: A payment submitted by the royalty filer and posted to the ONGARD system. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

REMITTANCE ASSESSMENT: A notice of underpayment of the royalty due as reported by the royalty remitter. This is generated when the payment submitted is less than the royalty reported due.

REMITTANCE CREDIT: A notice of overpayment of royalty on an oil and gas royalty return. This is generated when the royalty due as stated on the return is less than the payment submitted.

SUSPENDED DETAIL LINE: A detail line from the OGR-2 that has been suspended due to an invalid PUN, Lease, or other critical error. The royalty associated with the line cannot be distributed until the line is removed from suspense.

**OIL AND GAS ROYALTY RETURNS**

Oil and natural gas producers operating in New Mexico are required to file monthly royalty returns. The oil and gas activities that occurred during the production month must be reported at the PUN/Lease level for each property for which the reporter is responsible as long as the property (lease, communitization or unitization) continues to produce. The return must include detailed production and sales information for each PUN/Lease.

A royalty return consists of an OGR-1 Summary Report form, an OGR-2 Detail Report form(s), a remittance document, and a royalty payment. A remittance document is not required if the payment is electronically submitted i.e. EFT.

**OGR-1 Oil and Gas Royalty Summary Report:** This form is used to summarize the monthly activity for all properties being reported. The OGR-1 Summary Report must also include information on credits applied, assessments paid, accelerated royalty paid or utilized and any changes to their advance payment balance.

**OGR-2 Oil and Gas Royalty Detail Report:** This form is used to report line item detail for each transaction.

**OGR-1 Remittance Document:** The remittance document must accompany the royalty payment. It is used to correctly post the payment to the specific OGRID account and royalty return. (A remittance document is not used if the payment is electronically submitted i.e. EFT.)
**Royalty Payment:** A payment for the total amount due on the royalty return. Electronically transmitted payments must meet SLO requirements. A payment is not required if the total amount due on a return is less than $1.00 (one dollar). When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Copies of the OGR-1, OGR-2, and remittance document are included in this kit. The OGR-1 and OGR-2 can be photocopied and used as needed.

**DUE DATES**

Royalty returns must be submitted on or before the twenty-fifth (25th) day of the second month after the production month. For example, a return for the 06/2016 sales period must be postmarked or electronically transmitted on or before 08/25/2016.

Royalty payment due dates are established by rule and vary according to the reporter’s status as a SMALL (average monthly payments less than $25,000) or LARGE (average monthly payments greater than $25,000) royalty payer. Small royalty payers must submit their royalty payment by the 25th day of the second month following the production month for which the report is required. Large royalty payers must submit their royalty payment by the 20th day of the month immediately following the production month. Royalty filers who fail to make timely payments will be assessed interest. Interest is charged at the rate of 1.25% per month beginning the day after the royalty due date and continuing until the date the royalty is paid. (Section 56-8-3 NMSA, 1978)

LARGE royalty payers are required to submit payment by the 20th day after the end of the production/sales month. These payers can submit their payment and return by this due date or employ one of the following methods to remit payment:

1. **Accelerated Royalty Payment:** The royalty filer must submit a payment amount equal to the state royalty due for the reporting period by the 20th day of the month following the production month. This payment is made prior to the submission of the royalty return which contains detailed data. The associated return is not due until the 25th day of the second month following production. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

2. **Advance Royalty Payment:** The royalty filer must submit an advance payment amount that will remain on deposit with the New Mexico State Land Office. If this deposit is held by the Land Office, the remitter has until the 25th day of the second month following the production month to submit the royalty return and associated payment. The deposit amount must be equal to the reporter’s average monthly royalty payment based on the twelve monthly payments through the latest March 31st. For example, if a reporter’s monthly payment average for the previous twelve months through the latest March 31st is $30,000, the Advance Royalty deposit would be $30,000.

The Advance Royalty deposit amount is recalculated annually and the New Mexico State Land Office will send out a notice of Advance Payment beginning June 1st of each year. This notice will include the increase or decrease required based on the remitter payment history for the calculation period. The calculation period is the twelve month period April – March. If the amount of the remitter’s Advance Payment on deposit is more than the amount required for the current year, the remitter can apply the excess advance payment to future royalty or request a refund of Advance Payment funds. If the amount of the remitter’s Advance payment on deposit is less than the amount required for the current year, the remitter must submit the difference to the New Mexico State Land Office by July 25th.
ROYALTY RETURN SUBMISSION

Oil and gas royalty filers have three methods available to submit royalty returns to the New Mexico State Land Office. These three methods are: the submission of paper royalty return forms, electronic filing using the CSV format, and electronic filing using the ONGARD online royalty filing application. Electronic filing of royalty returns requires an internet connection and the use of Microsoft Internet Explorer. In addition, each electronic filer must obtain a user ID and password. We encourage the filing of returns electronically. Electronic returns have the same due dates as paper returns.

Return Filing Utilizing Paper Forms

A paper royalty return consists of the following forms:

- **OGR-1 Summary Report** – this form summarizes the information contained within the royalty return. In addition, this form is used to report the use of credits, payment of assessments, reporting of advance deposit payment or use of advance payment credit, and the submission or use of accelerated payments.

- **OGR-2 Detail Report** – this form is used to report production detail information and to amend previously reported detail information. It is on this form that volumes, proceeds, deductions and royalty due are detailed on a PUN/Lease/Sales Period/Product basis.

- **OGR – Remittance Document** – this form is used if the remitter is paying the royalty amount due with a check. The OGR Remittance Document must accompany the check in order to ensure that the payment is credited to the correct remitter. A remittance document is not required if the remitter is making payment through electronic means such as ACH or EFT. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Copies of these forms and instructions are included with this filer’s kit and copies can be submitted. If you would like the forms in PDF or Excel format you can download them at this link: http://www.nmstatelands.org/forms_3.aspx

Paper returns and payments are to be mailed to:

New Mexico State Land Office  
PO Box 1148  
Santa Fe, NM  87504-1148

The paper forms and instructions on how to complete each line can be found following this page.
OGR-1 Summary Report

New Mexico State Land Office

SLO Form OGR-1

Rev. 01/99

OIL & GAS ROYALTY REMITTANCE REPORT (OGR-1)

1. Date Submitted (Month/Day/Year):

2. OGRID Number (in box):

3. Final Return ("Y" or "N" in box):

4. Remitted Return ("Y" or "N" in box):

5. Accelerated Royalty Payment:

6. Total Oil/Gas Royalties: (Total of “State Royalty” column on OGR-2)

7. Total Oil/Gas Interest: (This line is no longer used)

8. Total Assessments Paid: (Attach assessment turnaround documents)

9. Total Royalty and Assessments Reported:

10. Total Regular Credit Taken: (Attach credit turnaround documents)

11. Total Lease Credit Taken:

12. Use Accelerated Royalty: Payment previously submitted: Amount (in box)

13. Total Credit Taken:

14. Net Advance Royalty Payment (or credit):

15. Total Remittance:

16. Type of Payment: (Check below)
   (1)_____Fedwire   (2)____ ACH credit   (3)____ ACH debit   (4) ____ Check

* When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

FOR OFFICE USE ONLY

Postmark Date: ______/____/____  Validated Remittance Amt: __________
Receipt Date: ______/____/____ In/Out Check

THIS REPORT SUBMITTED BY:

Company Name: __________________________ Telephone No: __________________________
Address: __________________________________ City: __________ State: __________ Zip: __________
This report for the month(s) of _______20_____ through _______20_____ consisting of ______OGR-2 pages has been examined by me and to the best of my knowledge and belief it is true, complete and pursuant to law and regulation.

Name: __________________________ Title: __________________________ Date: __________________________

Signature: __________________________
The following information is entered on the OGR-1 Summary Report.

<table>
<thead>
<tr>
<th>LINE</th>
<th>LINE HEADING</th>
<th>ENTER THE FOLLOWING:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Date Submitted</td>
<td>The month, day, and year the report is being submitted to the State Land Office.</td>
</tr>
<tr>
<td>2</td>
<td>OGRID Number</td>
<td>Your assigned Oil and Gas Reporting IDentification Number.</td>
</tr>
<tr>
<td>3</td>
<td>Final Return</td>
<td>Enter <strong>YES</strong> if a final report. Enter <strong>NO</strong> if not a final report.</td>
</tr>
<tr>
<td>4</td>
<td>Remitted Return</td>
<td>Enter <strong>YES</strong> if payment is being submitted. Enter <strong>NO</strong> if no payment is due.</td>
</tr>
<tr>
<td>5</td>
<td>Accelerated Royalty Payment</td>
<td>Enter the sales period and payment amount for which you are making an accelerated royalty payment. Only complete this line if you are subject to and have received approval to submit accelerated royalty.</td>
</tr>
<tr>
<td>6</td>
<td>Total Oil/Gas Royalties</td>
<td>Enter the total amount of royalties that you are reporting on this return.</td>
</tr>
<tr>
<td>7</td>
<td>Total Oil/Gas Interest</td>
<td>This line is no longer used. Do not enter an amount on this line. The New Mexico State Land Office will generate and send an interest assessment for late royalty.</td>
</tr>
<tr>
<td>8</td>
<td>Total Assessments Paid</td>
<td>Enter the total of all assessments being paid on the report. Attach each “Assessment Turnaround Document” page of the assessment notice to the report.</td>
</tr>
<tr>
<td>9</td>
<td>Total Royalty and Assessments Reported</td>
<td>Enter the sum of lines 6 and 8.</td>
</tr>
<tr>
<td>10</td>
<td>Total Regular Credit Taken</td>
<td>Enter the total of all remittance credits being applied to the report. Do not enter lease credits on this line. Attach each “Credit Turnaround Document” page of the credit notice to the report.</td>
</tr>
<tr>
<td>11</td>
<td>Total Lease Credit Taken</td>
<td>Enter the total of all lease credits applied to OGR-2 detail lines of the report.</td>
</tr>
<tr>
<td>12</td>
<td>Use Accelerated Royalty</td>
<td>Enter the sales period and amount of a previously submitted accelerated royalty payment.</td>
</tr>
<tr>
<td>13</td>
<td>Total Credit Taken</td>
<td>Enter the sum of lines 10, 11 and 12.</td>
</tr>
<tr>
<td>14</td>
<td>Net Advance Royalty Payment (or credit)</td>
<td>Enter the net change you are making to your Advance Payment deposit amount. If you are taking a credit for your deposit based on the Advance Payment Notice sent to you, enter this amount as a (credit).</td>
</tr>
<tr>
<td>15</td>
<td>Total Remittance</td>
<td>Enter the sum of line 9 minus line 13 and plus line 14 if increasing advance payment or minus line 14 if taking an advance payment credit. This should be the amount of the payment you submit with the report.</td>
</tr>
<tr>
<td>16</td>
<td>Type of Payment</td>
<td>Enter a check in the appropriate block to designate payment type.</td>
</tr>
</tbody>
</table>
# OGR-2 Detail Report

NEW MEXICO STATE LAND OFFICE
OIL & GAS ROYALTY DETAIL REPORT: (OGR-2)
SLO FORM OGR-2

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Page</th>
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<table>
<thead>
<tr>
<th>OGRID Number</th>
<th>Sales Mo/Yr</th>
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<tbody>
<tr>
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<table>
<thead>
<tr>
<th>Line</th>
<th>PUN</th>
<th>Lease</th>
<th>Product</th>
<th>TXN</th>
<th>ARMS</th>
<th>Volume</th>
<th>NGL</th>
<th>GROSS</th>
<th>Gas</th>
<th>Gas</th>
<th>Transport</th>
<th>Marketing</th>
<th>Processing</th>
<th>STATE</th>
<th>ROYALTY</th>
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</tbody>
</table>

**PAGE TOTAL:**

**GRAND TOTAL:**

Note: Round the dollar amounts to the nearest dollar. DO NOT use commas to designate thousands. Oil/Condensate to nearest barrel. NGL to the nearest Gallon. Gas/Gas Products to the nearest MCF (15.025 P.S.I.A.)
The following information is entered on the OGR-2 Detail Report.

<table>
<thead>
<tr>
<th>COLUMN HEADING</th>
<th>ENTER THE FOLLOWING:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pun</td>
<td>Enter the PUN number assigned by the State of New Mexico. The PUN number must be entered for each line entry.</td>
</tr>
<tr>
<td>Lease Number</td>
<td>Enter the Lease number as assigned by the State of New Mexico. The Lease number must be entered for each line entry.</td>
</tr>
</tbody>
</table>
| Product Code   | Enter the Product Code for the product being sold. The Product Codes are as follows:  
01 – Oil  
02 – Oil Condensate  
03 – Gas, processed (residue) gas  
04 – Gas, wet  
05 – Oil, other liquid hydrocarbons  
07 – Gas Plants Products  
14 – Oil, lost  
16 – Gas lost, flared or vented  
17 – Carbon Dioxide gas (CO2) |
| TXN Code       | Enter the Transaction Code for the reporting of the line detail. The Transaction Codes are as follows:  
51 – Regular payment  
52 – Estimated payment  
53 – Correction of estimated payment  
54 – Appeal/Court action payment  
55 – Audit and Compliance exception payment  
59 – Settlement payment  
60 – Transfer of royalty payment  
63 – Compensatory royalty payment  
65 – Stripper Well reduced royalty payment |
| Arms Length    | Enter **Y** if the reported sale is an arms-length transaction. Enter **N** if the reported sale is not an arms-length transaction. |
| Volume BBL/MCF | Report oil and condensate (product codes 1 and 2) to the nearest whole barrel. Report unprocessed natural gas (product code 4) to the nearest MCF metered at the wellhead at a 15,025 PSIA at 60° F. For processed gas (product code 3), report to the nearest MCF for residue gas and the MCF equivalent of the reported natural gas liquids (product code 7). |
| NGL Gallons    | Report the natural gas liquids (all component products in total) to the nearest gallon. |
| BTU Content of Gas | Report the BTU content of processed natural gas for non-arms-length transactions only. |
| Gross Proceeds | Enter the value/actual price received for the products before deductions to the nearest whole dollar. |
| Transportation Deduction | Enter the allowable transportation costs to the nearest whole dollar. |
| Gas Marketing Prep/Other Deduction | Enter the allowable marketing and other allowable costs to the nearest whole dollar. |
| Gas Processing Deduction | Enter the allowable processing costs to the nearest whole dollar. |
| State Royalty | Calculate and enter the royalty due for each detail line by multiplying the Gross Proceeds column less all deductions by the applicable royalty rate. |
Please note the following when completing the OGR-2 form:

- A separate OGR-2 form is required for each sales period being reported.

- Do not enter more than twelve lines of information per OGR-2 form. Each transaction reported on the OGR-2 is identified by page and line number.

- Be sure to distinguish between numeric zero and 1 and alphabetic O and I when entering the lease number.

- Be sure that the correct royalty rate is used to compute the royalty due amount for each reported transaction.

- Contact the SLO at 505-827-5871 for assistance if the lease number or PUN number is not known or if the PUN or lease is inactive. The New Mexico State Land Office does have a web application for pun/lease inquiries. Information on this web application is in a later section of this filer’s kit. If you cannot get the correct pun, report the detail line using the last seven digits of the properties API number. If you do not know the lease number, you can enter 999999 as the lease number. If a transaction is reported with an invalid PUN or Lease code, a correction must be submitted in a subsequent report as soon as the correct PUN or lease number is obtained.

- The New Mexico State Land Office is unable to distribute the funds to the appropriate beneficiary when royalty is reported with an invalid PUN and/or lease number. Royalty reported with invalid PUN and/or Lease will be suspended until the remitter submits the correct PUN and/or Lease. Each month, each remitter who has suspended lines will be emailed a Suspended Detail Line Report. The royalty reporter should contact the Revenue Processing Bureau at 505-827-5747 for assistance in clearing the suspended transactions.
OGR-1 Remittance Document

The OGR-1 Remittance Document is a pre-printed form that is submitted with all paper checks for royalty payments. This is to ensure that the payment is credited to the proper OGRID for matching to the royalty return submitted. You may request additional remittance documents at any time by contacting the Royalty Management Division, Revenue Processing Bureau at 505-827-5854. In addition, if you are an electronic filer and have a login id and password, you can request the remittance documents online. If you make your royalty payments through EFT methods, you are not required to submit a remittance document.

When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

<table>
<thead>
<tr>
<th>TAXPAYER ID: 9999999</th>
<th>Your OGRID will appear here</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMOUNT PAID: □□□□□□□□</td>
<td>0000000000</td>
</tr>
<tr>
<td></td>
<td>999999</td>
</tr>
<tr>
<td></td>
<td>18</td>
</tr>
</tbody>
</table>

SLO DUMMY REMITTANCE DOCUMENT

<table>
<thead>
<tr>
<th>Your account name and address</th>
<th>will appear in this area.</th>
</tr>
</thead>
</table>

Mail To: NM State Land Office, P.O. Box 1148 Santa Fe, New Mexico 87504-1148
Electronic Filing

Royalty reporters are strongly encouraged to file electronically. There are two options for electronic reporting, CSV filing and Online Web Filing. Both methods require internet access. The Online Web Filing application is for use by remitters who report less than 50 lines per report. Remitters that report more than 50 lines per report should file their royalty returns electronically using the CSV method.

Getting Started

In order to begin filing electronically, the royalty filer must first:

1. Contact the New Mexico State Land Office in order to obtain a user id and password to enable filing. At that time, we will email you a Contact Information Form to be completed and returned. You may contact either of the following to obtain a user id and password:

   Shannon Sandoval  
   Compliance and Special Projects Manager  
   (505) 827-4442  
   sandovals@slo.state.nm.us

   Kim Gabaldon  
   Revenue Processing Manager  
   (505) 827-5854  
   kgabaldo@slo.state.nm.us

2. Once an account is created for you, we will send you your first password which you can change once you log in.

3. Log in using the following steps:
   a. Enter your Sender ID
   b. Enter your Password
   c. Click the “Go” button

4. If you have forgotten your password, type your ID into the ‘Sender ID’ textbox and click the ‘Reset Password’ link. You will receive an email that instructs you on how to reset your password.

5. Once you obtain a login and password, our staff will assist you in getting started and walk you through the first filing. If you are going to use the CSV method of electronic filing, you will go through a testing process to ensure that the CSV file being submitted is in the right format. Filers must send an error-free test file before any production data will be accepted electronically. If you use our Online Web Filing application, a member of our staff will assist you in filing your first return.

Recent enhancements to the Electronic Filing applications have been made for the convenience of our users.

1. Filers will have full control of their “password” and have the ability to reset it at their convenience.

2. Filers will have the capability to view more details and a longer history of reported files.

3. Filers can now file for multiple OGRIDs, without having to exit and login again.

4. Filers can now update their Company Account Information.
Electronic Filing Using Online Web Filing Application

Once you have successfully logged into the Unified Online Filing site, to file a royalty return using the Online Web Filing application, you will perform the following:

1. Click “Select OGRID” from the left-hand menu.
2. Select the appropriate OGRID from the drop down list.
3. Select “Royalty Online Web Filing” option from the list of activities.
4. Click on the “Go” button and you will be directed to the Royalty Online Filing application.

5. Using the drop down button, select the current month’s sales period. If you are filing an Amended Return or filing for prior periods not shown on the filing activity, select the most recent sales period as your current month.
6. Check the ‘Automatically Add Leases from Last Return’ button to have all of the prior reported Pun/lease rows inserted in the current month’s reporting period.
7. Click the “Go” button to start filing.
After you have completed this step, you will now enter your royalty return information.

**CURRENT MONTH**

This tab is where you will enter the royalty information for the current month selected.

**Add New Detail Line:** Click here to create and enter a new detail line. A new window will open where the royalty information will be entered.

You are now ready to begin entering the royalty reporting details in the working box which has now appeared on the screen. You will notice the Sales Period is encoded as selected in the beginning of this process.

**Royalty Return Detail Line Data:**

- **Pun** – Enter the PUN number as assigned by the State of New Mexico. The PUN number must be entered for each line entry.
- **Lease** – Enter the Lease number as assigned by the State of New Mexico. The lease number must be entered for each line entry.
- **Product Code** – Use the drop-down button to select the product code.
- **Trans. Code** – Use the drop-down button to select the transaction code.
- **Arms Len** – Enter “Y” if the reported sale is an Arm’s Length transaction or enter “N” if the reported sale is a Non-Arm’s Length transaction. (If left blank, the transaction will default to Y.)
- **Volume (BBL/MCF)** – Report oil and condensate (product codes 1 and 2) to the nearest whole barrel. Report unprocessed natural gas (product code 4) to the nearest MCF metered at the wellhead at a 15.025 PSIA at 60°F. For processed gas (product code 3), report to the nearest MCF for residue gas and the MCF equivalent of the reported natural gas liquids (product code 7).
**NGL (GAL)** – Report the Natural Gas liquids (all component products in total) to the nearest gallon.

**BTU Num** – Report the BTU content of processed natural gas for non-arms-length transactions only.

**Gross Proceeds** – Enter the value/actual price received for the products on an entitlement or take basis for the production unit property before deductions. This amount will be rounded to the nearest whole dollar.

**Transport Deductions** – Enter allowable transportation costs. This amount will be rounded to the nearest whole dollar.

**Other Deductions** – Enter other allowable costs. This amount will be rounded to the nearest whole dollar.

**Gas Processing Deductions** – Enter allowable processing costs. This amount will be rounded to the nearest whole dollar.

**Royalty Due** – The royalty due amount will be calculated by the system by “Clicking” on the Save button.

Once you have entered the detail line and save it, the screen will appear as:

![Unified Online Filing - Oil and Gas Royalties Online Reporting and Filing](image)

Continue this process until all detail line entries are entered.

**Edit Detail Data:** User has the option to change the detail line entry by clicking the “Edit” link located at the end of the entered line entry. The application will open a working box allowing you to make any required changes.

**Delete Detail Data:** Click the “Delete” link to delete the entire line entry.

**AMENDED LINES**

This tab is where you will enter amending lines to correct prior reported data. You will need to back out the detail line as previously submitted and enter the corrected line as it should be. In addition, this tab will be used to enter royalty data for sales periods that are outside of the three sales periods you can select.
Enter a New Amendment: Click here to create and enter a new amended line entry. A new window will open where the amended royalty information will be entered.

Details are entered in the same manner as the current month’s entries with the following exceptions:

1. Remitter must enter the sales period being reported.
2. Remitter may enter negative values if amending a previously submitted detail line.
3. Remitter must calculate and enter the amount to be entered in the “Royalty Due” field; the system will not calculate and enter the value for you.
NOTICES

This tab is where you will enter any assessments you are paying or credits you are applying on the royalty return.

To add a new notice, search for the notice by the invoice number. If you want to update or delete a notice use the “Edit” link or “Delete” link on the appropriate notice line in the details section.

1. **Invoice Number:** Enter the notice number that you are reporting on the return and click “Go”. The system will retrieve the notice detail information.

2. **Amt. Paid/Taken:** Enter the amount being paid on the assessment or the amount being applied from the credit.

3. Click the “Add Invoice” button to save the information.
ADVANCED PAYMENT METHODS

This tab is used to enter a current accelerated royalty payment you are making, a past accelerated royalty payment you are applying to detail on this return and Advance Deposit increases or decreases.

1. **Accelerated Royalty Payment:** Enter the sales month/year for which you are making an accelerated payment and the amount of the accelerated payment.

2. **Use Accelerated Royalty:** Enter the sales month/year and amount of the previously paid accelerated royalty payment you wish to apply to the royalty details in this return.

3. **Net Advance Payment** – Enter the Advance Deposit amount you will be paying with this return. If you have been informed that you can take a credit for Advance Payment, enter the credit amount being taken as a negative.

SUMMARY

This tab is used to complete and file your royalty return. The system has automatically summarized all of the information entered. The remitter should review and ensure that all values are as expected. If there is a discrepancy, the user should go back to the tab where the information is not correct and make corrections.

There are items on this summary page that the royalty filer must complete. They are as follows:

1. **Final Sales Return:** This should always be “No”. If you will not be filing royalties, you must contact the New Mexico State Land Office and inform them of the reason that you will no longer file.

2. **Type of Payment:** Using the drop down button, select the type of payment. The options are Check, FedWire and ACH Debit.

3. **Check Type:** This only needs to be completed if the type of payment is a check. Using the drop down button, select “in-state” or “out-of-state” to indicate where the banking institution you are using is located. When you provide a check as payment, you authorize the State of New Mexico to either use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

The final step is the submission of the royalty return to the New Mexico State Land Office. Once you have reviewed the information to determine that it is accurate, you will click the “Submit Return” button. At that time, a box will appear stating that you affirm the information you are submitting has been examined by you and is in accordance with all laws and regulations. If you agree, you will click on the “OK” button to submit the return.
**State of New Mexico**

**Oil and Natural Gas Administration and Revenue Database**

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**Unified Online Filing >> Oil and Gas Royalties Online Reporting and Filing**

### Manage Sales Return -

**Sales Period: June, 2013**

**Current Month** | **Amended Lines** | **Notices** | **Advanced Payment Methods**
--- | --- | --- | ---

#### Return Summary

- **Trading Number:** 106413
- **Custodian:** IPAC
- **Date Submitted:** 7/04/2013
- **OGRN Number:** 7048
- **Final Sales Return (You will never file with State of New Mexico again):** No

#### Current Sales Worth Oil and Gas Royalties

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amendments to Prior Filings</td>
<td>$0.00</td>
</tr>
<tr>
<td>Assessments Paid</td>
<td>$0.00</td>
</tr>
<tr>
<td>Accelerated Royalty Payment</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total Royalty & Assessments Due:** $0.00

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Regular Credits Taken</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Lease Credits Taken</td>
<td>$0.00</td>
</tr>
<tr>
<td>Accelerated Royalty Amount Used</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total Credits:** $0.00

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Royalty Advance Payment</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

**Total Remittance:** $0.00

#### Type of Payment

- **Check:** Dropdown
- **Check type:** Dropdown

---

**Message from webpage**

By submitting this return, I affirm that it has been examined by me and, to the best of my knowledge and belief, is true, complete and in accordance with law and regulation.

Continue?

**OK**  **Cancel**

---

21
Electronic Filing Using CSV

A CSV (Comma Separated Value) file is a spreadsheet or database document that is saved in the CSV format. The CSV format is widely used by other State Governments and the software industry. The format itself is not proprietary, and is widely used by spreadsheet and database vendors. The format can also be created programmatically using any language that can create a text file. The layout consists of fields separated by commas. The CSV format saves on key entry by not requiring fields to be padded with spaces or zeros. It is important to note that commas cannot be used within the field data, as this will introduce extra fields in the record. Remitters to the New Mexico State Land Office most often use Microsoft Excel to create their CSV files, but any program that will save a file in the CSV format is accepted.

CSV FILE LAYOUT

A CSV file consists of record types and data that correspond to the forms to be filed with the New Mexico State Land Office. The record types for royalty returns submitted are as follows:

Record type 5 – corresponds to the OGR-1 Royalty Summary report and is required in every royalty CSV file submitted to the New Mexico State Land Office. This record type MUST be the first line in your CSV File.

Record type 4 – This record type is used to report notices that are to be paid in the case of assessments or the amount to be applied to the return from credit notices. This record type is only required if you are reporting royalty notices.

Record type 6 – corresponds to the OGR-2 Royalty Detail report and is required when you are submitting any type of royalty detail line.

Once the remitter has gathered the information to file the royalty return, a CSV file can be created. The layouts for the different record types follow on the next pages.
**Layout for Record Type 5 – Corresponds with Form OGR-1**

This form must be the first record type in your CSV File.

<table>
<thead>
<tr>
<th>Field</th>
<th>Field Name</th>
<th>Field Description</th>
<th>Type</th>
<th>Max Field Length</th>
<th>Validation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>REC TYP</td>
<td>Record type</td>
<td>Numeric</td>
<td>1</td>
<td>Must be “5”</td>
</tr>
<tr>
<td>2</td>
<td>RET SUB DTE</td>
<td>Return submit date</td>
<td>Numeric</td>
<td>8</td>
<td>Format (CCYMMDD) cannot be future date</td>
</tr>
<tr>
<td>3</td>
<td>OGRID</td>
<td>Oil and Gas Reporting ID Number</td>
<td>Numeric</td>
<td>6</td>
<td>Validate that OGRID is registered as an electronic Filer</td>
</tr>
<tr>
<td>4</td>
<td>XMIT CTL NBR</td>
<td>Unique Sequential Number used to identify the file transmission per OGRID and transaction type (Recommend starting with 1)</td>
<td>Numeric</td>
<td>9</td>
<td>Must be greater than the last XMIT CTL NBR used in your previous file transmission if your return was accepted</td>
</tr>
<tr>
<td>5</td>
<td>SENDER ID</td>
<td>Login ID for Electronic Filing</td>
<td>Alpha</td>
<td>15</td>
<td>Validate that SENDER ID on CSV file matches the SENDER ID transmitting the return.</td>
</tr>
<tr>
<td>6</td>
<td>FINAL RET IND</td>
<td>Final Return or not</td>
<td>Alpha</td>
<td>1</td>
<td>Y, N or Blank</td>
</tr>
<tr>
<td>7</td>
<td>REMIT RET IND</td>
<td>Remit Return Indicator</td>
<td>Alpha</td>
<td>1</td>
<td>Y, N or Blank</td>
</tr>
<tr>
<td>8</td>
<td>ACCEL ROY SALES MMYY</td>
<td>Accelerated Sales month/year for which you are paying</td>
<td>Numeric</td>
<td>4</td>
<td>MMYY format</td>
</tr>
<tr>
<td>9</td>
<td>ACCEL ROY PMT</td>
<td>Accelerated Royalty Payment amount</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>10</td>
<td>TOT ROY RPT</td>
<td>Total Royalty reported</td>
<td>Numeric</td>
<td>7</td>
<td>Can be negative or positive</td>
</tr>
<tr>
<td>11</td>
<td>TOT INT RPT</td>
<td>Total Interest reported</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0</td>
</tr>
<tr>
<td>12</td>
<td>TOT ASSMNT PD AMT</td>
<td>Total Amount paid as Assessments</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>13</td>
<td>TOT ROY &amp; ASSMNT PD</td>
<td>Total Royalty &amp; Assessments Paid Amount</td>
<td>Numeric</td>
<td>7</td>
<td>Can be negative or positive</td>
</tr>
<tr>
<td>14</td>
<td>REG CR AMT</td>
<td>Total Regular Credits Applied</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>15</td>
<td>LSE CR AMT</td>
<td>Total Lease Credit Amount Applied</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>16</td>
<td>ACCEL CLAIM SALES MMYY</td>
<td>Report month/year for accelerated payment you are claiming</td>
<td>Numeric</td>
<td>4</td>
<td>MMYY format, can be blank</td>
</tr>
<tr>
<td>17</td>
<td>ACCEL CLAIM PMT</td>
<td>Dollar Amount of Payment applied</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>18</td>
<td>TOT CR TAKEN</td>
<td>Total Credit taken</td>
<td>Numeric</td>
<td>7</td>
<td>Cannot be negative - must be 0 or greater</td>
</tr>
<tr>
<td>19</td>
<td>TOT ADV PMT</td>
<td>Total Amount of Advance Payment paid or taken as credit</td>
<td>Numeric</td>
<td>7</td>
<td>Can be negative or positive</td>
</tr>
<tr>
<td>20</td>
<td>TOT REMIT AMT</td>
<td>Total Remittance Amount</td>
<td>Numeric</td>
<td>7.2</td>
<td>Cannot be negative – must be 0.00 or greater. Amount must have two decimal places</td>
</tr>
<tr>
<td>21</td>
<td>PMT TYP</td>
<td>Type of Payment</td>
<td>Numeric</td>
<td>2</td>
<td>Accepted values are 01 (Fedwire) 02 (ACH Credit) 03 (ACH Debit) 04 (Check)</td>
</tr>
<tr>
<td>22</td>
<td>IO CHK</td>
<td>Check from In or Out of NM</td>
<td>Alpha</td>
<td>1</td>
<td>Values are “I” or “O”</td>
</tr>
<tr>
<td>23</td>
<td>RET POSTM DTE</td>
<td>Postmark Return</td>
<td>Numeric</td>
<td>8</td>
<td>Overlaid with system timestamp</td>
</tr>
<tr>
<td>24</td>
<td>REPORTERS REF</td>
<td>Reporters Use</td>
<td>Alpha</td>
<td>20</td>
<td>Can be blank</td>
</tr>
</tbody>
</table>
Layout for Record Type 4 – Reporting of Assessments Paid or Credits Applied

If applicable, this Record Type must follow Record Type 5.

<table>
<thead>
<tr>
<th>Field Order</th>
<th>Field Name</th>
<th>Field Description</th>
<th>Type</th>
<th>Max Field Length</th>
<th>Validation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>REC TYP</td>
<td>Record type</td>
<td>Numeric</td>
<td>1</td>
<td>Must be “4”</td>
</tr>
<tr>
<td>2</td>
<td>OGRID</td>
<td>Oil and Gas Reporting Identification Number</td>
<td>Numeric</td>
<td>6</td>
<td>Must be same as OGR1</td>
</tr>
<tr>
<td>3</td>
<td>INVOICE NUM</td>
<td>Royalty Assessment or Credit Invoice Number</td>
<td>Alpha</td>
<td>8</td>
<td>Invoice number must be 8 digits with “A” being the first digit for assessments and “C” being the first digit for credits. This number can be found on the notice</td>
</tr>
<tr>
<td>4</td>
<td>AMT APPLIED/PAID</td>
<td>Amount Paid for the reported assessment or applied for the reported credit.</td>
<td>Numeric</td>
<td>9</td>
<td>Cannot be negative – must be 0 or greater.</td>
</tr>
</tbody>
</table>
Layout for Record Type 6 – Corresponds with Form OGR-2

This Record Type must follow Record Type 5 and Record Type 4, if applicable.

| Form: 185 Record Type 6 OGR2 Detail Record |
|-----------------|-----------------|----------|----------|----------|----------|
| **Field Order** | **Field Name**  | **Field Description** | **Type**   | **Max Field Length** | **Validation** |
| 1               | REC TYP         | Record type           | Numeric    | 1         | Must be "6"             |
| 2               | OGRID           | Oil and Gas Reporting Identifier | Numeric | 6         | Must be same as OGR1     |
| 3               | SALE MTH/YR NUM | Sales month/year      | Numeric    | 4         | MMYY                  |
| 4               | PUN             | Number used to report on a distinct property, pool, OGRID | Numeric | 7         | Must be 7 digits. If the pun is not known, please enter the last 7 digits of the properties API number |
| 5               | LEASE           | Lease Identifier      | Alpha      | 6         | If the lease is unknown, please enter 9999999 as the lease number  |
| 6               | PRD CDE         | Product type          | Numeric    | 2         | Consists of one or two digit code. Product codes are listed on page 11 of this Filer’s Kit. |
| 7               | TRN CDE         | Transaction code for detail line entry | Numeric | 2         | Consists of two digit code. Transaction codes are listed on page 11 of this Filer’s Kit. |
| 8               | ARMS LEN IND    | Arms Length Indicator | Alpha      | 1         | Y if arms-length transaction or N if not. |
| 9               | VOL MCF BBLS    | Volume of Oil and Gas Production reported as Oil=BBL; Gas=MCF | Numeric | 9         | Can be negative, 0 or greater |
| 10              | NGLS GAL        | Volume of NGLS in Gallons | Numeric | 7         | Can be negative, 0 or greater |
| 11              | BTU NUM         | BTU/Value             | Numeric    | 5         | Can be negative, 0 or greater |
| 12              | GROSS PROCEEDS  | Report Actual (whole) Dollars received for sale of Product before Deductions | Numeric | 7         | Can be negative, 0 or greater |
| 13              | TRANSP DED      | Allowable Transportation Deduction | Numeric | 7         | Can be negative, 0 or greater |
| 14              | MKT DED         | Allowable Deduction for Market Preparation | Numeric | 9         | Can be negative, 0 or greater |
| 15              | GAS PROCESSING DED | Gas Processing Deduction | Numeric | 9         | Can be negative, 0 or greater |
| 16              | TOT ROY PAID    | Total Royalty Paid Amount | Numeric | 9         | Can be negative, 0 or greater |
| 17              | REPORTERS USE   | Reporters Use         | Alpha      | 20        | Can be blank            |
| 18              | REPORTERS REF   | Reporters Reference   | Alpha      | 20        | Can be blank            |
Here is a sample spreadsheet before being saved in the CSV format and the file transmitted in the CSV format:

```excel
| A | B | C | D | E | F | G | H | I | J | K | L | M | N | O | P | Q | R | S | T | U | V | W | X |
| 1 | 5 | 20130729 | 99999 | 103 | Filter ID | N | Y | 0 | 0 | 22458 | 0 | 100 | 22558 | 0 | 0 | 0 | 0 | 0 | 0 | 22558 | 1 | I | 0 | CSV Return |
| 2 | 6 | 99999 | 1013 | 1053178 | B02359 | 1 | SI | Y | 1659 | 0 | 24726 | 0 | 0 | 0 | 3091 | 0 | CSV Return |
| 3 | 6 | 99999 | 1013 | 1053178 | B02359 | 1 | SI | Y | 1000 | 0 | 10000 | 0 | 0 | 0 | 12500 | 0 | CSV Return |
| 4 | 6 | 99999 | 1013 | 1056872 | B11297 | 1 | SI | Y | 362 | 0 | 4935 | 0 | 0 | 0 | 617 | 0 | CSV Return |
| 5 | 6 | 99999 | 1013 | 1056872 | B11297 | 1 | SI | Y | 500 | 0 | 5000 | 0 | 0 | 0 | 6250 | 0 | CSV Return |
| 6 | 6 | 99999 | 1013 | 1056894 | B07897 | 4 | SI | Y | 923 | 0 | 14834 | 0 | 0 | 0 | 1829 | 0 | CSV Return |
| 7 | 6 | 99999 | 1013 | 1056894 | B07897 | 4 | SI | Y | 0 | 0 | -923 | 0 | 0 | 0 | -1829 | 0 | CSV Return |
| 8 | 6 | 99999 | 1013 | 1116033 | E05837 | 4 | SI | Y | 2 | 0 | 32 | 0 | 0 | 0 | 4 | 0 | CSV Return |
| 9 | 6 | 99999 | 1013 | 1116033 | E05837 | 4 | SI | Y | 0 | 0 | -2 | 0 | 0 | 0 | -4 | 0 | CSV Return |
| 10 | 6 | 99999 | 1013 | 1116033 | E05837 | 4 | SI | Y | 43 | 0 | 640 | 0 | 0 | 0 | 80 | 0 | CSV Return |
| 11 | 6 | 99999 | 1013 | 1116033 | E05837 | 4 | SI | Y | 0 | 0 | -42 | 0 | 0 | 0 | -80 | 0 | CSV Return |
| 12 | 6 | 99999 | 1013 | 1116033 | E05837 | 4 | SI | Y | 8 | 0 | 120 | 0 | 0 | 0 | 15 | 0 | CSV Return |
| 13 | 6 | 99999 | 1013 | 1116033 | E07360 | 4 | SI | Y | 0 | 0 | -8 | 0 | 0 | 0 | -15 | 0 | CSV Return |
| 14 | 6 | 99999 | 1013 | 1116033 | E07360 | 4 | SI | Y | 12 | 0 | 176 | 0 | 0 | 0 | 22 | 0 | CSV Return |
| 15 | 6 | 99999 | 1013 | 1116033 | E07360 | 4 | SI | Y | 0 | 0 | -12 | 0 | 0 | 0 | -22 | 0 | CSV Return |
| 16 | 6 | 99999 | 1013 | 1116033 | E08570 | 1 | SI | Y | 38 | 0 | 592 | 0 | 0 | 0 | 74 | 0 | CSV Return |
| 17 | 6 | 99999 | 1013 | 1116033 | E08570 | 1 | SI | Y | 0 | 0 | -38 | 0 | 0 | 0 | -74 | 0 | CSV Return |
| 18 | 6 | 99999 | 1149896 | B02146 | 1 | SI | Y | 287 | 0 | 33326 | 0 | 0 | 0 | 4166 | 0 | CSV Return |
| 19 | 6 | 99999 | 1149896 | B02146 | 1 | SI | Y | 0 | 0 | -287 | 0 | 0 | 0 | -4166 | 0 | CSV Return |
| 20 | 6 | 99999 | 1149896 | B02146 | 1 | SI | Y | 1453 | 0 | 23398 | 0 | 0 | 0 | 2925 | 0 | CSV Return |
| 21 | 6 | 99999 | 1149896 | B02146 | 1 | SI | Y | 0 | 0 | -1453 | 0 | 0 | 0 | -2925 | 0 | CSV Return |
| 22 | 6 | 99999 | 1149896 | B02146 | 1 | SI | Y | 0 | 0 | -1453 | 0 | 0 | 0 | -2925 | 0 | CSV Return |
```
```text
CSV FILE AS TRANSMITTED
```
Filing the CSV return

Once you have successfully logged into the Unified Online Filing site you will need to upload the CSV file as follows:

1. Click “Select OGRID” from the left-hand menu.
2. Select the appropriate OGRID from the drop down list
3. Select “Upload a Royalty CSV File” option from the list of activities.
4. Click on the “Go” button and you will be directed to the Royalty Online Filing application.

5. You will then see the below screen to upload your file
6. Click on “Browse” and it will open your file directory so that you can select the CSV file to upload.
7. Once file is selected, click on “Upload” to transmit your file.

8. After you have uploaded the file, you will receive an on-screen notice of whether the file was accepted or rejected.
9. If the file was accepted, you can print a confirmation which will list the tracking number of the return you filed.
10. If the file was rejected, you can print a report which details the errors found in your file.
Sample report for file rejected by ONGARD listing errors. This is the starting place for fixing your file for resubmission. If you are unable to correct your errors or need help understanding the error messages, contact the New Mexico State Land Office at (505) 827-5747 or (505) 827-5854 and we will be happy to assist you.

<table>
<thead>
<tr>
<th>ROW</th>
<th>REC</th>
<th>FIELD</th>
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<td>Unrecognized Record Type</td>
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OTHER ONLINE APPLICATIONS

The New Mexico State Land Office has several online applications that serve to assist the remitter. They are as follows:

**PUN/Lease Inquiry** – This application allows the user to search and view PUN, Lease, Well Completion, Allocation Percentages and Beneficiary information extracted from the ONGARD system. This application DOES NOT require that the royalty filer have a user id and password for electronic filing. The instructions to access this application are as follows:

1. Go to [www.ongard.state.nm.us](http://www.ongard.state.nm.us)
2. Put your cursor in the menu bar over “State Land Office” and select “SLO Reports”.
3. Click on “ROYALTY MANAGEMENT DIVISION”
4. Click on “ROYALTY INDUSTRY ACCESS”
5. Click on “PRODUCTION UNIT NUMBER INQUIRY” to get to the menu.

The Menu options and instructions are as follows:

1. **PUN Information**
   
   A. **Search by PUN Option:**
      
      Enter a seven-digit PUN and the screen will display PUN data including PUN type, OGRID name (Operator of the PUN), Property Name, Effective Date and PUN Status (Active or De-active).
B. Search by OGRID Option:

Enter the OGRID number and select the Active or De-active option. If the Active option is selected, the screen will display all active PUNs attached to the selected OGRID. If the De-active option is selected, the screen will display all De-active PUNs associated with the selected OGRID.

2. PUN Well Completion Information – This option allows you to search for PUN information by entering the PUN or the API number.

A. Search by PUN Option:

Enter the seven digit PUN and the screen will display information for all well completions attached to the PUN including the API Number, Pool Identification Number, dates for which the well completion was attached to the PUN and the well completion well numbers.
B. Search by API Option:

Click the API Well # box and the screen will allow you to enter the API County Code, the API Well IDN and the Pool IDN. Once the API County Code, API Well IDN and the POOL IDN have been selected, the screen will display the following: (1) the Production Unit Number the well completion is attached to and (2) all PUNs the well completion has been attached to.

A drop down box has been included in the API County Code select field. If you search on the county, the screen will display all well completions within the given county. You may then select a well completion to retrieve the desired PUN information.
PUN Lease Information - This option allows the user to view all leases associated with a selected PUN and the applicable royalty rates.

A. Search by PUN Option:
   Enter the seven-digit PUN and check either the Active or De-active box. If the Active box is selected, the screen will display active leases attached to the PUN. If the De-active box is selected, the screen will display de-active leases attached to the PUN. You must also select the product kind. The screens will also display the royalty rates associated with the Leases.

B. Search by Lease Option:
   Enter the Lease Code and the screen will display all Production Unit Numbers associated with the selected Lease Code. The screen will also display the applicable Royalty Rate.

3. Allocation Percentages/Bene Information – This option allows the user to view the allocation percentages and beneficiary information for a particular pun. There are several different options for information available. The search is by PUN.

   A. Lease % - This option will display for a selected pun, the lease numbers, assignment numbers, number of acres and associated allocation percentages within each lease and assignment number and total state net interest.
B. Lessee of Record % - This option will display for a selected PUN the Lessee of Record names and their associated allocation percentages. The allocation percentage is computed by totaling for each lessee the allocation percentages of each active lease they own within the PUN.

C. Lessee of Record - This option will display for a selected PUN active lease numbers, the assignment number and the lessee of record name associated with each active lease and assignment number.
D. Lease/Bene – This option will display for the selected PUN, the active lease number and the beneficiary associated with each active lease number. This option is very beneficial when the remitter is trying to apply lease credits to royalty detail lines.

Royalty Reported Detail History – This application allows the royalty filer to search royalty detail they have reported to the New Mexico State Land Office. Royalty Detail History is provided beginning with sales period January 2002. If royalty detail history is needed for periods prior to January 2002, please contact our staff for assistance. This application DOES require that the royalty filer have a user ID and password for electronic filing. The steps to retrieve your company’s detail history are as follows:

Once you have successfully logged into the Unified Online Filing site:
1. Click “Select OGRID” from the left-hand menu.
2. Select the appropriate OGRID from the dropdown list
3. Select “Royalty Reported Detail History” option from the list of activities.
4. Click on the “Go” button and you will be directed to the Welcome screen.
5. Select “Detail History” from the left side of the Welcome screen.
6. The following screen will be displayed:

   ![Image of Unified Online Filing >> Royalty Reported Detail History]

   The royalty filer can choose all or none of the search parameters given. If the royalty filer does not choose one of the options, all royalty detail since January 2002 will be displayed.

7. An example of the output is pictured below. In addition, the results of any search for Royalty Detail History can be exported into excel. This search is: Ogrid 99999 for sales periods 1/2013 to 3/2013.

   ![Image of Unified Online Filing >> Royalty Reported Detail History]

**Royalty Payment History** – This application allows the royalty filer to search history for payments they have made to the New Mexico State Land Office for royalty.

   Once you have successfully logged into the Unified Online Filing site:

1. Click “Select OGRID” from the left-hand menu.
2. Select the appropriate OGRID from the dropdown list
3. Select “Royalty Payment History” option from the list of activities.
4. Click on the “Go” button and you will be directed to the Welcome screen.

5. Select “Payment History” from the left side of the Welcome screen.
6. The following screen will be displayed:

The royalty filer can choose to search for a particular date range or to leave the search options blank and all of the payments since January 2002 will be displayed.

7. An example of the output is pictured below. In addition, the results of any search for Royalty Payment History can be exported into excel. This search is: Ogrid 99999 for sales periods 1/2012 to 3/2012.

Royalty Outstanding Billing Statement – This application allows the royalty filer to search for outstanding notices for their company that have been issued by the New Mexico State Land Office.

Once you have successfully logged into the Unified Online Filing site:
1. Click “Select OGRID” from the left-hand menu.
2. Select the appropriate OGRID from the dropdown list
3. Select “Royalty Outstanding Billing Statement” option from the list of activities.
4. Click on the “Go” button and you will be directed to the Welcome screen.
### New Mexico Oil and Gas Unified Online Filing

**Welcome - New Mexico Oil and Gas Unified Online Filing**

<table>
<thead>
<tr>
<th>Account Options</th>
<th>Select an Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manage Account Info</td>
<td>Upload a Royalty CSV File</td>
</tr>
<tr>
<td>Change Password</td>
<td>Royalty Online Wire Filing</td>
</tr>
<tr>
<td>Royalty Suspense</td>
<td>Royalty Rejected/Released History</td>
</tr>
<tr>
<td>Royalty Payment History</td>
<td>Royalty Status and History</td>
</tr>
</tbody>
</table>

Select an activity from the list above to proceed.

**Choose an ORID:**

Choose your ORID from the dropdown menu.

**Go**
5. Select “Billing Statement” from the left side of the Welcome screen.
6. The list of notices for your account and outstanding balances will be displayed in summary form as shown below. For details on the individual notices, you can click on the “detail” button that is next to each notice balance.

**ROYALTY SUSPENSE**

If a royalty filer pays royalties on a detail line with an error that prevents the New Mexico State Land Office from distributing the funds to the proper beneficiary, that detail line and the money attached to it are put into “suspense”. On a monthly basis, the Compliance and Special Projects Bureau notifies each remitter by email of lines that are in suspense for their OGRID. The remitter is responsible for correcting these suspended lines so that funds can be distributed. The most common errors that cause lines to go into suspense are:

1. Invalid PUN – This occurs because either the PUN has been entered incorrectly or the PUN has not yet been assigned to the property.
2. Invalid Lease – This occurs because either the lease has been entered incorrectly or the remitter does not have the lease number.
3. Invalid PUN/Lease Combination – This occurs when the PUN is valid and the lease is valid, but the combination of the two is invalid.
4. Invalid Sales Period – This occurs when the remitter reports a detail line outside of the valid sales period for the PUN, lease or both.
5. Invalid product code – This occurs when the remitter reports a detail line with a product code that is not valid.
6. Invalid transaction code – This occurs when the remitter reports a detail line with a transaction code that is not valid.

Once a remitter has been notified that they have suspended detail lines, it is their responsibility to correct those lines as soon as possible. There are two ways to correct suspended detail lines:

1. Remitter submits a reversing entry for the suspended detail line and enters the line with correct information. This reversal can be in a return by itself or can be included in the remitter’s current monthly return. **NOTE:** The detail line must be reversed EXACTLY as it was originally submitted or the reversing line will be rejected by the ONGARD system.

2. Remitter uses the “Royalty Suspense” application. This application can ONLY be used if the detail line does not have any other error in addition to the PUN or Lease error. Once a remitter has successfully logged into the Unified Online Filing site, you access the “Royalty Suspense” application as follows:

   A. Click “Select OGRID” from the left-hand menu.
   B. Select the appropriate OGRID from the dropdown list
   C. Select “Royalty Suspense” option from the list of activities.
   D. Click on the “Go” button and you will be directed to the Welcome screen.
   E. Select “Suspense Lines” from the left side of the Welcome screen.
   F. The list of suspended detail lines for your account will be displayed. You will be given the report month where the detail line was submitted, along with the return ID and the page and line number where the suspended line was reported. An example of the display follows:
G. The items in red are the errors that caused the detail line to go into suspense. The user can click on the item in red and be directed to a screen where corrections can be made. This screen also displays the error that caused the line to be suspended.

H. Once corrected information has been entered, the user should click “Save” and the line will be removed from the suspense display.

**ACCOUNT NOTICES**

The New Mexico State Land Office generates and issues oil and gas royalty assessments and credits based on information filed by the royalty return remitter. There are two classifications of notices:

A. Notice of Assessment for Royalty or Interest
B. Notice of Royalty Credit

Account notices require your immediate attention. All notices include a summary page that details the notice type, the reason for the notice, the dollars involved, instructions for payment or resolution, statutory
references and turnaround document. Some notices also include a detail sheet requiring other review or action by the royalty reporter.

### A. Notices of Assessment of Royalty or Interest

**Royalty Remittance Assessment**: A notice of underpayment of the royalty due on a return. This occurs when the payment amount submitted is less than the royalty reported on the royalty filer’s return.

**Royalty Interest Assessment**: A notice of interest assessed for late payment of oil and gas royalty. Interest is calculated at the rate of 1.25% per month beginning when payment is due until payment is made.

**Computation Assessment**: A notice for underpaid royalty differences based on ONGARD’s calculation of the data submitted by the royalty reporter. The notice includes a detail sheet with a summary of the line entries that contain the computational difference.

**Audit and Compliance Assessment**: A notice issued as a result of an audit or compliance review of volume or values.

### B. Notices of Royalty Credit

**Remittance Credit**: A notice of overpayment of royalty on an oil and gas royalty return. This occurs when the payment amount submitted is more than the royalty reported on the royalty filer’s return.

**Computation Credit**: A notice for overpaid royalty differences based on ONGARD’s calculation of the royalty amount due based on the data submitted by the royalty reporter. The notice includes a detail sheet with a summary of the line entries that contain the computational difference.

**Lease Credit**: A notice of overpayment of royalty of distributed funds that may be recouped against future royalty liability. Lease credits are generated when royalty filer submits a net credit return. The lease credit must be applied to future detail entries with the same beneficiary.

### FILING A CLAIM FOR REFUND

A claim for refund must be made on a form provided by the State Land office. The Claim for Refund forms can be found at [http://www.nmstatelands.org/Forms_2.aspx](http://www.nmstatelands.org/Forms_2.aspx). The claim form must contain the following information:

**If the claim is for distributed funds:**
- A. The amount of the erroneous payment.
- B. The OGRID number, lease number and PUN.
- C. Knowledge that the payment is not in any suspense fund.
- D. Reasons why such payment was erroneous.
- E. Notarized Signature.

**If the claim is for non-distributed funds:**
- A. The amount of the erroneous payment.
- B. The OGRID number, lease number and PUN.
C. Knowledge that the payment is in a suspense fund.
D. Reasons why such payment was erroneous.
E. Notarized Signature.

In addition, every request for refund must also include (a) an amended return if any information for prior reporting periods is being changed. The amended return must include detail line entries for all affected PUN/Lease combinations AND (b) a letter should be attached if the space provided on the claim form for the reason for the erroneous payment is insufficient.

If a refund claim lacks any required information, the State Land Office may return it to the royalty reporter requesting the additional information. The State Land Office will not consider a claim to be filed until all requirements are met.

Statute of Limitations:

Statute of limitations provides that all claims for refund for an erroneous payment of money shall be barred forever if not filed with the Commissioner of Public Lands within six years from the date the erroneous payment was made.

Lease credits previously established through the Section 19-7-60 process can later be subject a claim for refund, beyond the six-year limitation for the number of days necessary to provide ninety days to file the claim.

COMMISSIONER RULINGS

The Commissioner of Public Lands is empowered by statute to issue rulings necessary for the implementation or enforcement of any laws applicable to the oil and gas royalty program.

FREQUENTLY ASKED QUESTIONS

The New Mexico State Land Office is committed to providing the best possible customer service. SLO staff will promptly reply to questions or requests for assistance. Answers to some of the more commonly asked questions are provided. Please contact us if the provided responses do not adequately answer your questions.

Question:
If I file my oil and gas royalty report electronically, do I still need to submit a paper copy of my return?

Answer:
No, you do not, however the electronic report must comply with the filing requirements as detailed in this filer’s kit.

Question:
Can I photocopy OGR-1 and OGR-2 oil and gas royalty reporting forms?

Answer:
Yes, the OGR-1 Summary Report, OGR-2 Detail Report and OGR Remittance document may be photocopied.
Question: Will the New Mexico State Land Office (SLO) compromise a liability if I am unable to pay?

Answer: No, by law, the State Land Office cannot compromise an outstanding royalty liability because of the royalty reporter’s inability to pay. (Article 4, Section 32 of the NM Constitution.)

Question: Can interest be forgiven by the State Land Office for late payment of royalties?

Answer: No, interest must be paid on late payment of royalties. Abatements can be considered in very unusual circumstances.

Question: What if I receive an assessment that I feel is incorrect? Do I still have to remit payment?

Answer: No, but you must immediately contact the SLO and provide a detailed explanation of why you feel the assessment is invalid. You must also submit documentation and, if necessary, an amended return to correct the data that created the incorrect notice.

Question: I received a lease credit notice and I’m not sure what it’s for? How do I use it?

Answer: ONGARD issues a lease credit when you submit credit detail lines intended to reverse previously submitted debit detail lines and the funds allocated to the debit lines have been distributed to the beneficiary. A lease credit can only be applied to new detail lines with the same beneficiary.

Question: I received a remittance assessment and I don’t understand why. I also received a Rejected Line Report but the lines on the report don’t seem to match the lines on the remittance assessment amount. What do I do?

Answer: The remittance assessment resulted because you included credit detail line entries on your royalty return and they were rejected. The Rejected line report lists all rejected lines. The remittance assessment is valid and due.

Question: I received a remittance assessment and I don’t understand why. I’ve checked my copy of the return and it indicates that I paid everything that was due.

Answer: First check to see if you also received an offsetting lease credit. If so, the assessment is valid (see previous question and answer). If you did not receive a lease credit, check your files to see if you submitted the correct payment amount. It’s possible that your payment was less than the royalty amount due on the return. (The royalty amount due is noted on line 9 of the OGR-1 Summary Report form.) If you still can’t determine the reason for the assessment, please contact the Revenue Processing Bureau at 505-827-5854.

Question: I received a computation assessment and I don’t know why. I received a computation credit and I don’t know why.
ONGARD has determined that the royalty due amount you computed for these detail lines is incorrect. Compare your copy of the report to the page and line numbers noted on the detail page of the notice. Check your computations; it's possible that you used the incorrect royalty rate. (The lease number determines the royalty rate.) If you need help to ascertain the correct royalty rate, review your lease documents or call the Royalty Management Division at 505-827-5871. If you still cannot determine the reason for the notice, check the SLO website or contact the Revenue Processing Bureau at 505-827-5854 or 505-827-4442.

NOTE: If you used the wrong royalty rate and received a computation assessment or computation credit, the New Mexico State Land Office prefers that you submit an amended return to the incorrect detail lines and re-post the correct information. This is to ensure that the royalty data is as accurate as possible.

Question:
Does the New Mexico State Land Office have a website?

Answer:
Yes, you can access the SLO website at: [www.nmstatelands.org](http://www.nmstatelands.org)

**FORMS**

Copies of the most commonly used forms are provided.
OIL & GAS ROYALTY REMITTANCE REPORT (OGR-1)

1. Date Submitted: (Month/Day/Year)

2. OGRID Number (in box) OGRID NAME:

3. Final Return? ("Y" or 'N')

4. Remitted Return? ("Y" or "N")

5. Accelerated Royalty Payment: Sales month/Year……_____/_____
   Amount: (in box)__________________

6. Total Oil/Gas Royalties:

7. Total Oil/Gas Interest:

8. Total Assessments Paid: (Attach assessment notices)

9. Total Royalty, Interest and Assessments Paid:

10. Total Regular Credit Taken: (Attach credit notices)

11. Total Lease Credit Taken: (Total of Lease Credits noted on OGR-2C)

12. Use Accelerated Royalty Payment Previously Submitted: Sales month/Year……_____/_____
    Amount: (in box)__________________

13. Total Credit Taken:

14. Net Advance Royalty Payment (or credit):

15. Total Remittance:

16. Type of Payment: (Check box below) :
   (1)___ Fedwire     (2) ___ACH credit    (3) ___ACH debit    (4) ___check

FOR OFFICE USE ONLY

Postmark Date: _____/______/______                               Validated Remittance Amount: $
Receipt Date: _____/______/______                                In.Out Check: ____________

THIS REPORT SUBMITTED BY:

Company Name: ________________________________________________ Telephone Number ____________________________
Address: __________________________________________________________________________________________________
City: ______________________ State: ______________________ Zip Code: ______________________

This report, for the month(s) of ______20_____ through ______20_____ consisting of _______OGR-2 pages, has been examined
by me and to the best of my knowledge and belief it is true, complete and pursuant to law and regulation.

Name ____________________________________ Title _____________________ Date ____________________

Signature: _______________________________
NEW MEXICO STATE LAND OFFICE
OIL & GAS ROYALTY DETAIL REPORT: (OGR-2)
SLO FORM OGR-2

Company Name

Page of

OGRID Number

Sales Mo/Yr

<table>
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<th>Line</th>
<th>PUN</th>
<th>Lease Number</th>
<th>Product Code</th>
<th>TXN Code</th>
<th>ARMS Code</th>
<th>Volume BBL/MCF</th>
<th>NGL Gallons</th>
<th>BTU Content of GAS</th>
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<th>Gas Transportation Deduction</th>
<th>Gas Marketing Prep/Other Deductions</th>
<th>Gas Processing Deductions</th>
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PAGE TOTAL:

GRAND TOTAL:

Note: Round the dollar amounts to the nearest dollar. DO NOT use commas to designate thousands. Oil/Condensate to nearest barrel. NGL to the nearest Gallon. Gas/Gas Products to the nearest MCF (15.025 P.S.I.A.)
NEW MEXICO STATE LAND OFFICE  
ROYALTY MANAGEMENT DIVISION  

CLAIM FOR REFUND  
Oil and Gas Royalties – Erroneous Payment  
Distributed Funds

**Purpose:**  
This form is used to apply for a refund from the New Mexico State Land Office for oil and gas royalties that have been paid and distributed to the permanent fund.

**Amended Data:**  
If you are changing any information for prior reporting periods (sales months, by product), you must submit an amended report for each period affected. Failure to submit the required amended report(s) will prevent or delay the processing of your oil and gas royalty claim for refund.

**Letter of Explanation:**  
Attach a letter of explanation if the Reason for an Erroneous Payment section of the claim form is insufficient to fully explain why you are submitting your claim request.

**Signature:**  
The oil and gas royalty payor or an authorized agent must sign the claim form.

**State District Court Involvement:**  
If the claim for refund exceeds $10,000, approval or disapproval must also be obtained from the State District Court for Santa Fe County by the Commissioner of Public Lands prior to any disbursement of state funds.

**Authority – Claimant Time Limitations:**  
Section 19-7-60 (NMSA, 1978, as amended effective 07-01-2007) time limit; limitation of action;

Statute of limitations provides that all claims for refund for an erroneous payment of money shall be barred forever if not filed with the commissioner of public lands within six years from the date the erroneous payment was made.

Lease credits previously established through the Section 19-7-60 process can later be subject a claim for refund, beyond the six-year limitation for the number of days necessary to provide ninety days to file the claim.

**Presumption of Distribution:**  
If the reporter has not received notification from the SLO of suspended funds within one month of the payment for which the claim is requested, the applicant can assume such payment(s) is/are not carried in the suspense account.

**Subject to Audit:**  
Refunds are subject to audit at the discretion of the Commissioner of Public Lands.

**Registered Notification – Time Limitation:**  
If the Commissioner of Public Lands discovers an erroneous payment, notice is to be given, by registered mail, to the last recorded address of the person making such erroneous payment. All claims for refund of money shall be filed within ninety days after notice. All claims for refund not filed with the Commissioner of Public Lands within the time prescribed shall be forever barred. (Section 19-7-60)
PUN/Lease – Report Line Entries:
The applicant should submit an amended report(s) for the separate PUN/Lease –Report Line entries. The line entries will be validated by the ONGARD system and reviewed and verified by the Royalty Management Division as part of the refund approval process.
NEW MEXICO STATE LAND OFFICE
ROYALTY MANAGEMENT DIVISION

CLAIM FOR REFUND
OIL AND GAS ROYALTIES – ERRONEOUS PAYMENT
DISTRIBUTED FUNDS

Commissioner of Public Lands
New Mexico State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Dear Sir:

Whereas, ____________________________________________ Dollars ($___________) were erroneously paid for oil and/or gas royalties by:

OGRID NAME: __________________________ OGRID ID No: ___________ to the Commissioner of Public Lands on account of Lease number: ___________ and PUN: ___________; and

Whereas, to the best of the knowledge of such applicant, such payment is not carried in any suspense fund by the State Land Office or its agent (if any) but has been distributed to the state permanent fund; and the

Applicant states that the reasons why such payment was erroneously made are as follows:

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

Now, therefore the undersigned makes a claim for refund of said payment(s) from that part of the State Lands Maintenance Fund distributable to the fund into which such payment(s) was (were) erroneously made.

Claimant petitions the Commissioner of Public Lands to investigate the facts herein and endorse his approval of this claim and take action thereon, as provided by Section 19-7-59 et. seq, NMSA 1978, as amended.

__________________________________________
Signature of Applicant/Claimant
Notary Statement:

(Applicant)______________________________________ being duly sworn states that the foregoing claim is made in good faith and the facts stated herein are true.

Subscribed and sworn to before me this _________ day of _______________, 20__________.

My commission expires: ______________________________________

Notary Public:______________________________________________

Seal: _____________________________________________________

Approved (       )

Disapproved (       ) this the ________________________ day of ______________, 20_______.

___________________________________
Commissioner of Public Lands
NEW MEXICO STATE LAND OFFICE
ROYALTY MANAGEMENT DIVISION
Oil and Gas Royalties – Erroneous Payment
Non-distributed Funds

Instructions

Purpose:
This form is used for applying for a refund from the New Mexico State Land Office for oil and gas royalties that have been paid but not distributed to a permanent fund. State notifications of such suspense fund payments should be in the possession of the applicant.

Amended Data:
If you are changing any information for prior reporting periods (sales months, by product), you must submit an amended report for each period affected. Failure to submit the required amended report(s) will prevent or delay the processing of your oil and gas royalty claim for refund.

Letter of Explanation:
Attach a letter of explanation if the Reason for an Erroneous Payment section of the claim form is insufficient to fully explain why you are submitting your claim request.

Signature:
The oil and gas royalty payor or an authorized agent must sign the claim form.

Authority – Claimant Time Limitation:
Section 19-7-60 (NMSA, 1978, as amended effective 07-01-2007) time limit; limitation of action;

Statute of limitations provides that all claims for refund for an erroneous payment of money shall be barred forever if not filed with the commissioner of public lands within six years from the date the erroneous payment was made.

Lease credits previously established through the Section 19-7-60 process can later be subject a claim for refund, beyond the six-year limitation for the number of days necessary to provide ninety days to file the claim.

Subject to Audit:
Refunds are subject to audit at the discretion of the Commissioner of Public Lands

Registered Notification – Time Limitation:
If the Commissioner of Public Lands discovers an erroneous payment, notice is to be given, by registered mail, to the last recorded address of the person making such erroneous payment. All claims for refunds of money shall be filed within ninety days after notice. All claims for refund not filed with the Commissioner of Public Lands within the time prescribed shall be forever barred. (Section 19-7-60).
NEW MEXICO STATE LAND OFFICE
ROYALTY MANAGEMENT DIVISION

CLAIM FOR REFUND
OIL AND GAS ROYALTIES – ERRONEOUS PAYMENT
NON-DISTRIBUTED FUNDS

Commissioner of Public Lands
New Mexico State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Dear Sir:

Whereas, _______________________________ Dollars ($_____________) were erroneously paid for oil and/or gas royalties by (OGRID NAME): ________________________________ (OGRID ID No): ____________________ to the Commissioner of Public Lands on account of Lease number: ___________ and PUN: ___________ or such amounts are represented by Credit Invoice No. ___________ for suspended cash ___________, suspended detail ____________, or other (describe) _____________________________________ and;

Whereas, such payment is carried in an oil and gas royalty suspense fund by the State Land Office or its agent (if any) but has not been distributed to the state permanent fund;

Claimant states that the reason(s) why such payment was/were erroneously made are as follows:
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________

Therefore, the undersigned makes a claim for refund of said payment from the oil and gas royalty suspense fund into which such payment was erroneously made.

Claimant petitions the Commissioner of Public Lands to investigate the facts herein and endorse his approval of this application and take action thereon, as provided by Section 19-7-59 et. seq, NMSA 1978, as amended.

________________________________________
Signature of Applicant/Claimant
Notary Statement:

(Applicant)______________________________________ being duly sworn states that the foregoing claim is made in good faith and the facts stated herein are true.

Subscribed and sworn to before me this ___________day of _______________, 20__________.

My commission expires: ______________________________________

Notary Public:______________________________________________
Seal: __________________________

Approved    (   )

Disapproved (   ) this the ___________________________day of ________________, 20_______.

Commissioner of Public Lands